

Minneapolis Community Development Agency

Request for City Council Action

Date: February 18, 2003

To: Council Member Lisa Goodman, Community Development Committee
Council Member Barbara Johnson, Ways and Means/Budget Committee

Refer to: MCDA Board of Commissioners

Prepared by: Beverly A. Wilson, Planner III, Phone 612-673-5030

Presented by: Darrell Washington, Project Coordinator, Phone 612-673-5174

Approved by: Lee Sheehy, MCDA Executive Director
Chuck Lutz, MCDA Deputy Executive Director _____

Subject: Modification No. 1 to the Near Northside Community Redevelopment Plan, renamed Heritage Park Redevelopment Plan

Previous Directives: Not Applicable.

Ward: 5

Neighborhood Group Notification: Northside Residents Redevelopment Council;
Harrison Neighborhood Association

Consistency with *Building a City That Works*: Not Applicable.

Comprehensive Plan Compliance: Not Applicable.

Zoning Code Compliance: Not Applicable.

Impact on MCDA Budget: (Check those that apply) Not Applicable.

- ☒ No financial impact
- ☐ Action requires an appropriation increase to the MCDA Budget
- ☐ Action provides increased revenue for appropriation increase
- ☐ Action requires use of contingency or reserves
- ☐ Other financial impact (Explain):

Living Wage / Business Subsidy: Not Applicable.

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Job Linkage: Not Applicable.

Affirmative Action Compliance: Not Applicable.

RECOMMENDATION: City Council Recommendation: The Deputy Executive Director recommends that the City Council Community Development Committee schedule a public hearing to be held on March 4, 2003 for Modification No. 1 to the Near Northside Community Redevelopment Plan; and it is recommended that the Ways and Means/Budget Committee review the proposed Modification and submits its comments at the Community Development Committee public hearing scheduled for Tuesday, March 4, 2003.

Background/Supporting Information

The Modification designates a parcel within the Near Northside Community Project Area as Property That May Be Acquired. The parcel designated for acquisition in the Modification is the Prince of Glory/Lao Lutheran Church property, located at 430 Bryant Avenue North. This property was previously identified in the Master Plan as being a parcel that may be acquired in order to complete Phase 3 activities. Phase 3 construction activities will generally take place south of Olson Highway and just west of Lyndale Avenue, and will contain approximately 95 rental units. Discussion with the Church and the local Lutheran Synod are in process. The purpose of this requested action is to provide the City with the authority, if needed, to begin acquisition activities in a timely manner.

The Modification also renames the Near Northside Community Redevelopment Project to Heritage Park Redevelopment Plan.

The Minneapolis Community Development Agency has prepared the proposed Plan document and transmitted it to interested parties for review and comment on January 31, 2003. Comments have been requested and are due at the Agency by March 3, 2003.

It is requested that the Community Development Committee schedule a public hearing on the proposed Modification, to be held by the Community Development Committee on Tuesday, March 4, 2003, at 1:30 p.m. Final Council and MCDA Board Action will be held on Friday, March 21, 2003.

It is requested that the Ways and Means/Budget Committee review the proposed Modification and submit its comments at the public hearing to be held by the Community Development Committee on Tuesday, March 4, 2003.

**MINNEAPOLIS
COMMUNITY
DEVELOPMENT
AGENCY**

**Modification No. 1
to the Near Northside Community
Redevelopment Plan, renamed Heritage
Park Redevelopment Plan**

January 17, 2003

Prepared by Project Planning and Finance Department
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105 5th Avenue South
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**Modification No. 1
to the
Near Northside Community Redevelopment Plan
Renamed the Heritage Park Redevelopment Plan
January 31, 2003**

Introduction

Modification No. 1 to the Near Northside Community Redevelopment Plan reflects the designation of a parcel within the Near Northside Community Redevelopment Project Area and Hollman Housing Transition Area as property that may be acquired. The Modification also documents a name change from Near Northside Community Redevelopment Plan to “Heritage Park Redevelopment Plan.”

Modification Description

One purpose for this modification is to designate a property within the Heritage Park (formerly the Near Northside Community) Redevelopment Project as “Property That May Be Acquired” in accordance with state laws and city ordinances.

The Near North Master Plan, approved by the City Council on March 24, 2000, identified a number of development activities that must be addressed in order to proceed with Phase 3 construction. One of those development activities was to identify a replacement facility for Prince of Glory/Lao Lutheran Church. The Prince of Glory/Lao Lutheran Church property, located at 430 Bryant Avenue North, is situated within the Phase 3 construction site. Discussions are being held with the Church and the local Lutheran Synod to finalize alternative site arrangements. This modification will provide project staff with the authority to begin acquisition activities.

The second purpose for this modification is to change the name of the “Near Northside Community Redevelopment Plan” to the “Heritage Park Redevelopment Plan.” This name change is being made to reflect the new name of the housing development. The Heritage Park development will create a mixed use, mixed income community that replaces the former Sumner, Olson, Glenwood, and Lyndale public family housing developments.

Heritage Park Development Background

The Heritage Park (formerly Near Northside Community Redevelopment) Project will result in 900 new housing units replacing the former Sumner, Olson, Glenwood, and Lyndale family public housing developments. The redevelopment is generally bounded by I-94 on east, Glenwood Ave. on the south, Girard Ave. N on the west, and 7th Street N. on the north.

The Heritage Park Redevelopment Project will be implemented in four phases, with the first two phases located on the north side of Olson Memorial Highway and the third

and fourth phases on the south side of Olson. Phase 1 construction activity is currently underway.

Of the nine-hundred (900) new housing units that is envisioned to be constructed between 2001 and 2009, 440 will be rental units and approximately 360 units will provide homeownership opportunities. The housing units will be built for families of a variety of incomes. Of the 440 total rental units, 200 units will be public family housing (for families at or below 30% of area median income) and 90 units will be constructed using tax-credit financing (for families at or below 50% of area median income). The remaining 150 units will be offered at market-rate rent levels. McCormack Baron & Associates of St. Louis is the master developer for the rental project and is partnered with the local firm of Legacy Management and Development Corporation. McCormack Baron & Associates will construct, own and manage the rental units.

Of the approximately 360 ownership units, 110 will be affordable to families with incomes less than 80% of area median income. The remaining 100 units will be built for elderly public housing residents.

Upon completion, Heritage Park will include new public parks, new infrastructure, facilities for community and service organizations, and a parkway boulevard that will connect this north Minneapolis community with south Minneapolis.

Property Acquisition

1. List of Property That May Be Acquired

By including in this Redevelopment Plan a list of property that may be acquired, the Agency is signifying that it is interested in acquiring the properties listed, subject to limitations imposed by availability of funds, developer interest, staging requirements, soil contamination and other financial and environmental considerations. Inclusion on this list does not indicate an absolute commitment on the part of the Agency to acquire a property.

The Heritage Park (formerly the Near Northside Community) Project Area contains the following parcel that is included in this Modification as property that may be acquired:

Address	Owner/Address	Property ID
430 Bryant Ave. N.	Minneapolis Area Serv Corp 122 Franklin Ave W #600 Minneapolis MN 55404	21-029-24-41-0009

2. Conditions Under Which Property May Be Acquired

State law authorizes the Agency to acquire property either on a negotiated basis or through the use of its power of eminent domain, if necessary, to carry out a redevelopment plan. The Agency will seek to acquire property from willing sellers whenever possible, but may use the power of eminent domain and its condemnation authority to acquire property identified as “property that may be acquired” when necessary.

Project Acquisition Map – Changed

The revised Project Acquisition Map is attached as Exhibit #1.